



# San Diego City Attorney **MICHAEL J. AGUIRRE**

## **MEDIA ADVISORY**

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### **CITY ATTORNEY'S REMARKS REGARDING *TIME* MAGAZINE ARTICLE ON MAYOR DICK MURPHY**

"This week's edition of *Time Magazine* has named Mayor Dick Murphy as one of the country's worst big-city mayors. I agree with the facts contained in the article. Mayor Murphy has brought this reputation upon himself. Only through new leadership will San Diego be truly able to move forward. I want to point out that *Time Magazine* requested an interview with me last month regarding an article the magazine was writing about the Mayor. I directed my communications director to decline the request. However, below are some of the reasons why I believe the Mayor has failed the citizens of San Diego and why I have called for his resignation."

- "Just last week, the Mayor refused to ask his new appointees to the City's Retirement Board to waive their attorney-client privilege so that the City can complete its audit and help federal authorities finish their investigation into the City's financial disclosure practices and its pension system. In doing so, the Mayor purposefully ignored the formal legal authority of U.S. Attorney Carol Lam, who issued the same written directive to the Retirement Board and sent the Mayor a copy of her April 14<sup>th</sup> directive. The Mayor's new appointees were seated this past Friday, April 15."
- "The Mayor has done nothing to address my contention that there have been violations of state law, the California Constitution, the San Diego City Charter and the Municipal Code by City Officials regarding the underfunding of the City Employees' pension fund. Those findings were included in my Interim Report #3, released April 8, 2005."
- "On April 5 at the City Council meeting, the Mayor permitted and participated in a "back room" arrangement which allowed District Attorney Bonnie Dumanis a forum to announce her intention to dismantle the City Attorney's Criminal Division without any formal notice to the public. The Mayor's back-room deals have no place at City Hall, especially when it comes to ensuring the public safety of our citizens. "
- "The Mayor's Blue Ribbon Committee Report on San Diego City Finances vastly understated the severity of the City's pension fund liability by \$215-million. This information was cited in my first independent investigation into the City's financial disclosure practices and its pension system. Interim Report #1 was released January 14, 2005."

(MORE)

- “The Mayor has failed to respond to my memorandum of February 22, 2005, which outlines the City Attorney’s legal action plan to address the City’s financial condition.”

Below is the text from the *Time Magazine* article as it currently appears on the magazine’s web site:  
www. time.com

**TIME ONLINE EDITION: April 17, 2005**

**"Dick Murphy / San Diego 17 APRIL 2005**

When he was elected mayor in 2000, Dick Murphy thought he had his hands full dealing with a troubled ballpark project and sewer spills that were shutting down San Diego's beaches. But then Murphy, 62, a state superior court judge, became embroiled in an even bigger mess: a \$1.35 billion deficit at the city's public-employee pension fund.

The crisis has so discredited him, he almost lost his job last November to Donna Frye, a last-minute write-in candidate who runs a surf shop. She actually won more votes, but some 5,500 people who wrote in her name failed to shade in an oval box, and the courts ruled the ballots invalid.

It was Murphy's predecessor who first approved underfunding the pension fund. But when a balloon payment became due in 2002, Murphy dodged it by fashioning another underfunding plan, winning the pension board's acceptance with a promise to hike pension payouts and give special benefits to the union presidents. Now the FBI, the U.S. Attorney and the SEC are investigating the deal."

— By Terry McCarthy

*With reporting by Jill Underwood/San Diego*

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